IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

TUESDAY, THE 20TH NOVEMBER 2007 / 29TH KARTHIKA 1929

WP(C).No. 30242 of 2004(A)

PETITIONERS:

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1. **THOMAS MICHAEL, KALLUVAYALIL HOUSE, HILL VIEW, MUNNAR.**

2. **KURIEN MATHEW, ILLIMOOTTIL HOUSE, SHANMUGHA VILAS ESTATE, SURYANELLI.**

BY ADV. SRI.P.RAMAKRISHNAN

RESPONDENTS:

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1. **THE KERALA FINANCIAL CORPORATION, VELLAYAMBALAM, THIRUVANANTHAPURAM, REPRESENTED BY ITS MANAGING DIRECTOR.**

2. **THE BRANCH MANAGER, KERALA FINANCIAL CORPORATION, KATTAPPANA.**

3. **THE DEPUTY TAHSILDAR (RR), K.F.C., KOTTAYAM.**

BY SRI. V.B.UNNIRAJ, SC

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 20/11/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

KSS

WPC.NO.30242/2004 A

APPENDIX

PETITIONER'S EXHIBITS:

EXT.P1: **COPY OF PROVISIONAL STATEMENT OF ACCOUNTS FROM 1/07/2000 TO 31/12/2003.**

EXT.P2: **COPY OF NOTICE DTD. 6/01/2004 ISSUED BY THE 2ND RESPONDENT TO THE 1ST PETITIONER.**

EXT.P3: **COPY OF THE DEMAND NOTICE UNDER SECTION 7 OF THE R.R.ACT ISSUED BY THE 3RD RESPONDENT TO THE 1ST PETITIONER, DTD. 23/08/2004.**

EXT.P4: **COPY OF THE DEMAND NOTICE UNDER SECTION 7 OF THE R.R.ACT ISSUED BY THE 3RD RESPONDENT TO THE 2ND PETITIONER, DTD. 23/08/2004.**

EXT.P5: **COPY OF REPRESENTATION DTD. 7/10/2004 SUBMITTED BY THE 1ST PETITIONER TO THE 2ND RESPONDENT.**

/TRUE COPY/

P.A.TO JUDGE

KSS

C.N.RAMACHANDRAN NAIR, J.

WP(C) No. 30242 of 2004

Dated, this the 20th day of November, 2007

J U D G M E N T

The petitioners availed loan from the Kerala Financial Corporation and committed default. Natural consequence is recovery proceedings and challenge against the same is not backed by any valid reasons. However, since scheme is there for settlement of liability, it is for the petitioners to apply for the benefit of OTS, as per the scheme, and settle liability, failing which respondents are free to proceed with recovery. The petitioners are directed to make an application for OTS along with copy of this judgment and if such an application is made as above, the Corporation will consider the same and grant incentives subject to terms for payment. In case of default, the Corporation is free to proceed for recovery.

This writ petition is disposed of as above.

(C.N.RAMACHANDRAN NAIR, JUDGE)

jg